DOCUMENT RESUME

ED 208 975 PS 012 490

AUTHOR Stokesbary, Daryl; And Others
TITLE Improving the Child Care Delivery System in Minneapolis.
INSTITUTION Minneapolis Interagency Child Care Work Group, Minn.
PUB DATE Jan 81
NOTE 52p.

EDRS PRICE MF01/PC03 Plus Postage.
DESCRIPTORS *Administrative Problems; *After School Day Care; Childhood Needs; *Community Problems; *Day Care; Delivery Systems; Early Childhood Education; *Family Day Care; *Financial Problems; Financial Support; Legislation; Needs Assessment; Program Costs; Program Descriptions; Systems Analysis
IDENTIFIERS Minnesota (Minneapolis)

ABSTRACT

The purpose of this report by the Minneapolis Interagency Work Group is to define reasons for day care demand, examine the adequacy of local service delivery patterns, analyze current trends and problems in the system, and make preliminary recommendations. The first section of the report discusses data concerning national trends in child care needs as well as trends in Minnesota and Minneapolis. The second section provides brief descriptions of the service systems, indicates problems of service delivery, and suggests solutions for day care centers, family and group day care homes, and informal child care systems. In the third section, problems and suggested solutions, as well as system characteristics, are discussed for infant, toddler, preschool, and school-age/latchkey care. Discussion in section four focuses on problems and solutions related to affordability of care, sick care/emergency child care resources, 24-hour and night care, substitute care workers, resources for handicapped children, availability and development of management and support services, transportation, and licensable center space. Recommendations concerning potential resource sharing, provided in section five, focus on legislation, coordination, public awareness, and the role of business and foundations. Tabulated data are provided under the following titles: Geographic Comparison of Licensed Slot Availability, October, 1979; Minneapolis Child Care Options by Age Group; and Summary of Minneapolis Child Care Funding, 1979-80. (Author/RH)

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IMPROVING THE CHILD CARE DELIVERY SYSTEM IN MINNEAPOLIS

a Report by

THE MINNEAPOLIS CHILD CARE INTERAGENCY WORK GROUP

ED208975

The purpose of this report by the Minneapolis Interagency Work Group is to define reasons for the day care demand, examine the adequacy of local service delivery patterns, analyze current trends and problems in the system, and make some preliminary recommendations. Hopefully, from this report will emerge agreement on child care needs in Minneapolis and a renewed commitment on the part of the County, City of Minneapolis, Minneapolis Public Schools, the Corporate Community, and the Child Care Community to work together to maximize available child care resources and seek new resources where feasible.

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Interagency Work Group Members

Daryl Stokesbary, City of Minneapolis

Shirley Breyer, Hennepin County Purchase of Service

Linda Hutchinson and
Jack Tamble, Minneapolis Public Schools

Char Thomasson, Hennepin County Family Day Care Association

Connie Bell, Greater Minneapolis Day Care Association

January, 1981

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IMPROVING THE CHILD CARE DELIVERY SYSTEM IN MINNEAPOLIS

CHILD CARE NEEDS-NATIONAL TRENDS

As economic and social conditions cause more women to enter the labor market, the lack of adequate, affordable child care has become one of the most pressing problems facing American families. There is growing national consensus that:

> The economy needs productive self-supporting citizens.
>
> Families need to be self-sufficient so they can provide well for their children.
>
> Children need to grow with and learn from caring adults.
>
> Making adequate child care services and alternatives available for working parents promotes and strengthens the well being of families and the economy.

Increase of Women in the Labor Force

The number of young children with working families has increased dramatically and the projections for 1990 show further increases. The composition of America's workplace is changing rapidly. According to recent demographic studies, by 1990, two-thirds of all mothers with children under the age of six will work regularly.

> 50% of all the children between ages 3 and 5 have mothers in the work force.[1]
>
> In 1978, the percentage of mothers who work and who have infants increased a dramatic 11%, and is now 1/3 of all mothers with infants.[2]
>
> The school age child whose mother works is now the rule, not the exception.[3]
>
> It has been estimated that by 1990, 75% of all two-parent families will have both parents in the work force.[4]

Women Work Out of Economic Necessity

> 43% of all women in the labor force are single, widowed, divorced, or separated.
>
> 25% of married working women have husbands who earn less that $15,000

There has been a substantial increase in the number of American families in which women have the primary economic and social responsibility. By June 1978, about 1 out of every 7 families was headed by women, and 58.9% of these women participated in the labor force.[5]

Children's Needs

Despite the overall decline in the birth rate, the number of children with working mothers has been rapidly increasing.

There are 6.8 million children under the age of 6 with working mothers, and 22.8 million children between the ages of 6 and 17 with working mothers. Yet there are just over 1 million spaces in licensed child care facilities of all varieties in the entire country.[6] The lack of available child care services results in many children being left - some all day - without adequate supervision.

CHILD CARE NEEDS IN MINNESOTA

The local need for child care mirrors the national need. Last year both the Governor's Task Force on Families and the Council for the Economic Status of Women pointed out that only 6% of Minnesota families fit the traditional picture of the nuclear family with a working father, a home-maker mother, and two dependent children. It is apparent then that the number of single parent families and two breadwinner families is increasing. Both of the emerging family types suffer stress which is different from the stress suffered by traditional families. Availability and financing of child care are two of their problems.[7]

According to the Council on the Economic Status of Women, the greatest increase in the labor force participation in Minnesota in the last twenty years has been among younger women of childbearing age.

> The labor force participation rate of women 25 to 34 has more than doubled since 1960 and is projected to reach 84% by 1990.[8]
>
> Two-thirds of married women with school age children and almost half of those with preschoolers now work outside the home.[9]

Single Parent Families in Minnesota

The number of female single-parent families in Minnesota with children under age 18 has more than doubled in the past fifteen years. In 1975 it was estimated that they numbered 58,759. Almost one out of four of these female heads of households with children under six are below the poverty level.[10]

-Fully 15 percent of all children in the Twin Cities area live with one parent compared with only 6 percent in the balance of the state.[11]

Two Parent Families in Minnesota

Many families combat the effects of inflation by becoming two-earner families. In fact, that kind of family has now become the norm. In 1963, only a quarter of husband-wife families in Minnesota had two incomes. Eleven years later, in 1974, 59 percent of husband-wife families had two incomes.[12]

CHILD CARE NEEDS IN MINNEAPOLIS

Data showing the unmet need for child care in Minneapolis is currently inadequate. There is no information base from which to assess whether the actual number of either families with children who would use child care if it were available, or family ability to pay for the cost of child care and thereby make a "demand" for services. Our discussion assumes job availability at least at the level which has prevailed in the recent years. It is generally agreed that the present need exceeds the number of available slots. This conclusion leads to the obvious question: How can available resources better match the need for child care services?

The Minneapolis Child Care delivery system is best described by a review of information related to the potential population, the existing service capabilities and the current funding resources. The potential population is difficult to measure due to the lack of adequate information. However, there are factors that, when reviewed in conjunction with each other, point to a demand for child care. Such factors as the number of children in the age categories of 0-5 and 6-11, plus the growing percentage of working mothers, indicate a large user population. The table below reflects the potential population by the number of children and the number of working mothers. This data was prepared using the State of the City report of 1979 and the 1970 Profile of Minneapolis Communities, C-70.

Potential Population		Licensed Capacity		
Children 0-5 years	29,200	582	Licensed Family Homes	2,798
Children 6-11 years	30,300		Licensed Family Homes-Latch Key	1,450
		75	Licensed Day Care Centers	2,878
TOTAL CHILDREN	59,500	50	Licensed Half Day Centers	1,505
		4	Headstart Centers	108
# of working mothers Children 0-5 years	7,500	23	Minneapolis Public Schools Latch Key Centers	850
# of working mothers Children 6-11 years	7,500		TOTAL	9,589
TOTAL FAMILIES	15,000			

The figures for potential demand should be compared to the level of services currently available for child care. This information is summarized above by the type of care showing the number of sites and their total licensed capacity. The Minneapolis child care delivery system is comparable to that of the State as a whole, the Metro region and Hennepin County. A comparison of licensed slot availability indicates that Minneapolis provides 16.7% of all child care slots available in the State of Minnesota; 27.2% of all child care slots available in the Metro region; and 54.2% of all the licensed child care slots available in Hennepin County. See Exhibit 1, "Geographic Comparison of Licensed Slots Available".

Costs considerations must be taken into account in making a determination of whether the slot availability matches with the potential needs information. Exhibit 2, "Minneapolis Child Care Options by Age Group", is an attempt to match the potential user by age group with the existing child care resources and available cost information. A judgement is then made as to the relative "availability" of the various types of care. One important factor which stands out on the chart is that the informal unlicensed child care arrangement is an unknown quantity. The magnitude of unlicensed care must be taken into consideration in order to document the total amount of available child care. This has been difficult to do in that no data exists which documents the real amount of such care being provided in the City of Minneapolis. Estimates have been made by the Citizens' League and others that informal arrangements make up 40-50% of the total child care services.

Child Care Funding Resources

Hennepin County provides (county-wide) about 6.6 million dollars of child care assistance to eligible families. In the City of Minneapolis, 1390 or 14% of the 9,589 slots receive Hennepin County support. There are three eligible groups:

A. Families having incomes less than 60% of the State median Income and in work or training. (Funding through Title XX of the Social Security Act.)

B. Current AFDC recipients with work related child care expenses.

C. Current AFDC recipients who are participating in the WIN/NON WIN Training Programs.

Hennepin County also administers two State-funded programs. In 1980 the State of Minnesota earmarked $228,000 for child care assistance through the Community Social Services Act. The funding process for these funds was delegated to the Greater Minneapolis Day Care Association through its Proposal and Review Committee which submits an umbrella proposal to the County Board. This money is divided between a grant assistance program for licensed programs and a parent assistance funding program giving partial support to eligible applicants between 60 and 70% of the State Median Income.

In 1979, the State Legislature passed a State Child Care Sliding Fee Pilot Program. Hennepin County is responsible for this program but delegates the administration of the program to the Greater Minneapolis Day Care Association. This program requires a 15% county match. Total funding for the 1980-81 fiscal year is $353,500.

The City of Minneapolis provides about $887,000 for child care assistance to residents of Neighborhood Strategy Areas which are currently receiving funding for housing renewal and redevelopment under the Community Development Block Grant program. These strategy areas cover approximately 12% of the population of the City. The vendor for the CDBG child care funds is the Greater Minneapolis Day Care Association.

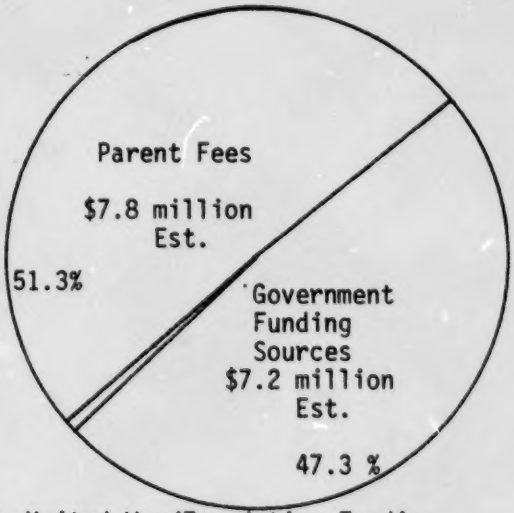
Other funding resources for child care programs include: The United Way which funds part of the costs of child care in four community centers; the United States Department of Agriculture which provides funding for food costs based on the income of enrolled families; the Department of Health and Human Services which funds the Minneapolis Headstart Program; and State and Federal Tax credits. See Exhibit 3 for a more detailed description of funding resources.

Parent fees were found to be the largest resource of funding for child care. A more detailed description is provided in the text below and Exhibit 4.

FORMAL CHILD CARE COSTS

The cost of child care in Minneapolis can be derived by multiplying the average cost per slot times the number of available slots according to type of care. Exhibit 4 has been developed to reflect the total Minneapolis child care costs for the licensed care system. This amount is estimated to be $15.2 million. This, however, is an under-estimate since it does not include informal child care arrangements. If we include the informal child care arrangements on the basis of the assumption that approximately 50% of child care is available through informal arrangements, and that such arrangements are somewhat lower in cost, then the $15.2 million estimated total would be substantially increased. The pie chart shown below reflects the relative burden of cost shared by parent fees, the private sector, and governmental funding sources for licensed care. It is clear that the users (parents) pay the majority of the cost for licensed care. Presumably, parents pay 100% of the cost for informal care arrangements.

Approximate total cost of formal licensed child care in Minneapolis: $15,200,000



1.4% United Way/Foundation Funding
Approximately $225,000

Our question about how available resources can better match the need for child care services has been raised in an overview in this section. The following sections provide a more in-depth analytical perspective leading to a series of possible solutions for identifiable service delivery problems. Two specific approaches to matching needs with resources have been taken into consideration: first, how to increase the number of slots within the affordable means of the potential users; second, how to maximize the flexibility of the delivery system and thereby increase the ability of the providers to meet the potential demand. Although it is possible that both approaches will require additional funding resources, savings through sharing of resources and identifying new approaches have been our principal aim.

The format which follows analyzes the basic service elements by type of care and age group to understand better how services are provided and at what cost; what service delivery problems are significant; and finally, what potential solutions can be suggested. We also examined support resources and the adequacy of funding.

FOOTNOTES

[1]Smith, Ralph E., Ed., The Subtle Revolution, The Urban Institute, Washington, D. C., 1979, quoted from U.S. WORKING WOMEN: A DATA BOOK, 1977, U.S. Dept. of Labor, Bureau of Labor Statistics, 1977, Washington, D. C.

[2]Ibid.

[3]Ibid.

[4]Ibid.

[5]National Women's Political Caucus and Women's Equality League, "Comprehensive Child Care, A Position Paper", February, 1979

[6]Ibid.

[7]Women in Minnesota, Council for the Economic Status of Women, July 1980, p. 3.

[8]How Many Workers?, Minnesota State Planning Agency, Projections of the Minnesota Labor Force, 1977-1990, p. 8.

[9]Women in Minnesota, op. cit.

[10]Minnesota Women: Income and Poverty, Council for the Economic Status of Women, February, 1978, p. 8.

[11]Women in Minnesota, op. cit. p. 10.

[12]Minnesota Women: Income and Poverty, op. cit., p. 5.

Geographic Comparison
Of
Licensed Slot Availability
October, 1979

	Licensed Homes		All Day Centers		Total Full Day	Half Day Centers		Headstart Centers		Total Half Day	Grand Total
	No.	Capacity	No.	Capacity		No.	Capacity	No.	Capacity		
Minneapolis	582	2,798	75	3,145	5,943	50	1,505	4	108	1,613	7,556
Hennepin Suburbs	266	1,352	69	3,142	4,494	64	1,890			1,890	6,384
Hennepin	848	4,150	144	6,287	10,437	114	3,395	4	108	3,503	13,940
Region 11 Metro Area	2,379	10,683	239	10,364	21,047	2,301	6,340	15	373	6,713	27,760
Statewide	4,304	19,232	330	14,114	33,346	391	9,879	93	2,019	11,898	45,244

*Our table on page 3 reflects actual use of licensed capacity, therefore, is lower. Notice also that this comparison does not include Latchkey services which further reduces the Grand Total. Our table on page 3 is a more complete and accurate reflection of services currently available through licensed sources.

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MINNEAPOLIS CHILD CARE OPTIONS BY AGE GROUP

EXHIBIT 2

AGE	OPTIONS	NO. OF FDC/ CENTERS	AVAILABILITY	AVERAGE COST
Infant 6 wks to 15 mos.	Licensed Family Day Care Homes - capacity 0-2 slots per home	582 Homes	Limited	$35-$45/week
	Centers - 50 full-time slots - 42 restricted to high school students - 49 part-time slots for Indo-Chinese	13 Centers	Very Limited	$54-$65/week (Approx.)
	Informal-Unlicensed Care (Including In-Home Care)	Unknown	Unknown	Unknown
Toddler 16 mos. to 2 1/2 Years	Licensed Family Day Care Homes - capacity 0-4 slots per home	582 Homes	Limited	$35-$45/week
	Centers - 375 full-time slots - 40 part-time slots for Indo-Chinese	22 Centers	Limited	$40-$50/week
	Informal-Unlicensed Care (Including In-Home Care)	Unknown	Unknown	Unknown
Preschool 2 1/2 - 6 Years	Licensed Family Day Care Homes - capacity 2-10 slots per home	582 Homes	Sufficient	$35-$45/week
	Centers - 2165 slots	59 Centers	Sufficient	$42-$45/week (full-day)
	Informal-Unlicensed Care (Including In-Home Care)	Unknown	Unknown	Unknown
	Nursery School - 1505 slots	50 Nursery Schs.	Sufficient	$2.93 per session (Average)
Latch Key 6 through 12 Years	Licensed Family Day Care Homes -capacity 2-4 slots per home	582 Homes		$20-$40/week
	Centers - 1111 slots	30 Centers	Limited to Sufficient	$1.16/hour
	Informal-Unlicensed Care (Including In-Home Care)	Unknown	Unknown	Unknown
	Public Schools Latch Key 30-40 per site - 850 slots	23 School Site	Sufficient	$ .85/hour

EXHIBIT 3

SUMMARY OF MINNEAPOLIS CHILD CARE FUNDING - 1979-80

SOURCE	TITLE XX	AFDC	WIN/NON-WIN	USDA CHILD CARE FOOD PROGRAM	CDBG (Community Development Block Grant)
Amount	$2,500,000 (Est.)	$2,100,000 (Est.)	$455,000 (Est.)	$619,260	$886,875
Type of Funding	Reimbursement to Programs for care to eligible families and children	AFDC grant payments to recipients for child care expenses	Reimbursement to Child Care Providers for child care for WIN/Non-WIN Program participants	Reimbursement to child care centers and family day care providers for some food costs	1)Parents' Assist Fund ($381,875) 2) Indirect services and administration, ($233,000): 3) Grants to providers ($232,000)
Administered By	Hennepin County	Hennepin County	Hennepin County	State Dept. of Education, Child Nutrition Section	Greater Minneapolis Day Care Association
Eligibility Requirements	-In work/trng. -AFDC recipients or -Families w/income less than 60% SMI	-Current AFDC clients w/work related child care expenses	Current AFDC recipients participating in the WIN/Non-WIN Programs	Centers - must be licensed and non-profit. Family size & income determines level of reimbursement Homes - must be licensed, reimbursement rate for all children is same Local Sponsors are: Hennepin County Family Day Care Assn., Quality Child Care, and some local centers.	1) Parents' Assist Fund: must be resident of Mpls., -80% of recipients must be resident of NSA's - Family income must be in the 60-80% SMI range. 2) Provider grant recipients live within City of Mpls.

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Summary of Child Care Funding
Page Two

EXHIBIT 3
Page Two

SOURCE	UNITED WAY	PICA HEADSTART	COMMUNITY SOCIAL SERVICES ACT	STATE SLIDING FEE PROGRAM	FEDERAL AND STATE TAX CREDITS
Amount	$216,794 (Does not include grant to United Cerebral Palsy)	$375,089	$80,000 (Minneapolis portion, County total is 228,000)	$155,318 (Minneapolis portion, County total is 353,500)	US Tax Loss Estimate $12,000,000 (1975) Minnesota Tax loss Estimate $30,000,000 (1975)
Type of Funding	Allocations to four Community Centers in Minneapolis	Four Headstart centers in Minneapolis	1) Parents' Assistance Fund 2) Grants to providers	Partial payment to providers for child care costs of eligible families	Federal-credit of 20% of expenses for child care (up to $2,000 for one child) State-credit of up to 50% of the Federal credit (shall not exceed $150)
Administered By	United Way	Parents in Communtiy Action Board, Dept. of Health and Human Svcs.	Dept. of Public Welfare (Upon County Application, based on GMDCA Recommendations)	Greater Minneapolis Day Care Assn. (Parents' Assistance Fund)	Internal Revenue Service, MN Dept. of Taxation
Eligibility Requirements	Must be a United Way Agency	90% of clients must meet Federal Poverty Guidelines; 10% of enrollment must be handicapped children; 10% can be over-income	Applicant programs must be licensed and located within Hennepin County	-Families: reside within Hennepin Cty. and income in 60-70% SMI range -Programs: located within Hennepin Cty. licensed by State Welfare Dept.	Married or single parents working full or part time

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EXHIBIT 4

1979-80 ESTIMATE OF LICENSED CHILD CARE COSTS IN MINNEAPOLIS

(These figures are estimates based on the best information available)

Average Cost For Licensed Care

Family Day Care	442 homes	x 5 slots	x 52 weeks	x $37.50	= $	4,309,500
Group Family Day Care	140 homes	x 10 slots	x 52 weeks	x $37.50	= $	2,730,000
Center Infant Care	92 full-time slots		x 52 weeks	x $54.09	= $	258,767
	49 part-time slots		x 52 weeks	x $27.04	= $	68,898
Center Toddler Care	375 full-time slots		x 52 weeks	x $46.23	= $	901,485
	40 part-time slots		x 52 weeks	x $23.12	= $	48,090
Center Preschool Care	2165 full-time slots		x 52 weeks	x $42.22	= $	4,753,128
Center Half Day Care	150[illegible] half-time slots		x 34 weeks	x $15.00	= $	767,550
Center Latch Key Care	1111 part-time slots		x 36 weeks	x $20.00	= $	799,920
	1111 full-time slots		x 15 weeks	x $35.40	= $	589,941
				TOTAL COSTS	$	15,227,279

Center Funding Sources

Government:		
City, CDGB	$	886,875
Title XX, AFDC WIN/Non-WIN		5,075,000
State, CSSA	$	80,000
State Sliding Fee	$	155,318
Federal, PICA Head-Start	$	375,089
Federal, USDA	$	619,260
SUBTOTAL	$	7,191,542 (47.3%)
Private:		
United Way and Foundations	$	225,000
Parents Fees	$	7,810,737 (51.3%)
TOTAL SOURCES	$	15,227,279

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II. DELIVERY OF SERVICE

A. Day Care Centers

System Description

Day care centers are child care facilities housed in a number of settings: churches, schools and private buildings. Day care centers are licensed by the State Department of Welfare to care for 10 to more than 100 children (30 children average). The licensing standards for centers mandate specific health, safety, and nutritional practices as well as equipment designed to meet the intellectual, physical, and emotional needs of the age group to be served. They also set standards for the amount of space per child, staff/child ratios, teacher qualifications and inservice training requirements. A day care center is usually open from 6:30 AM to 6:00 PM with breakfast, lunch, and two snacks provided. Most day care centers serve children whose parents work or attend school full-time.

Availability of day care centers varies according to age group, funding and County planning area. Although there are 75 full day centers in Minneapolis, availability of infant care is very limited (only 50 full-time slots in the city). Toddler and school age care are somewhat limited. While the number of preschool slots appears sufficient at present, the demand for preschool slots may increase if financial assistance becomes more readily available.

In Hennepin County, the cost of infant care in a full day center averaged $54.09 per week or a projected yearly cost of $2,813. Toddler care cost $46.23 per week or $2,195 per year. The cost of Latch Key care averages $1.16 per hour or approximately $20 per week for a typical before/after school program and $35 per week for all day in the summer and for vacation days. Data was obtained from an October 1979 report by the Department of Public Welfare. Latch Key costs may be somewhat lower if free space is provided through the public schools. Child care costs in Hennepin averaged 9-19% higher than the state-wide average with the largest differential in rates in the cost of infant care.

Problems

High Staff Turnover Rates

The primary factor causing a high turnover rate of staff in day care centers is low wages. In general, child care teachers with a bachelor degree make about half the salary of public school teachers. According to a Department of Public Welfare study conducted in April of 1980, the average salary of a child care teacher is $178 a week or $4.44 an hour. Salaries for assistant child care teacher averages $145 a week or $3.63 an hour and salaries for aides generally start at minimum wage.

Fortunately, upward mobility within the child care profession is possible due to flexibility in the Department of Public Welfare staff qualifications which allow for experience as well as degrees, but salaries do not provide a sufficient incentive to stay in the field. This is especially true for aides and assistant teachers who may be attempting to provide for their families on near-poverty wages.

Limited benefits are also a factor which affects staff turnover. Although an increasing number of child care workers are now receiving some health benefits, pension plans are virtually non-existant. In addition, a typical vacation allowance is only one or two weeks a year - a limited vacation for persons who work eight hours a day with young children.

Another major factor affecting staff turnover is burn-out. Working intensively with young children with very little feedback from underpayed co-workers and often overworked parents is emotionally draining. Some child care programs have not set up a regular schedule of breaks for staff, while many are so tightly staffed that it is difficult to take a break. In addition, the 40+ hours of staff development required for licensing must often be sought after work hours and at the individual staff person's expense

Suggested Solutions

The usual answer to higher salaries is to raise the cost of child care to cover the salary increases. However, most programs are unwilling to take this step because of the belief that parents can not pay more for child care. One method proposed to solve this problem is to subsidize parent fees through increased funding to sliding fee and voucher programs which would increase low and middle income parents' ability to pay for higher cost child care - a roundabout solution at best.

An often suggested solution is to unionize child care workers, a solution which would not solve the problems of parent inability to afford more expensive child care. It is clear, however, that for any changes to be made - toward more government funding for child care or toward an increased recognition on the part of the general public that early education is important - a coalition of parents and child care workers needs to become more visible and vocal. It is clear that current wage levels and inadequate benefits are eroding quality of care and are a disincentive for experienced child care staff to remain in the field.

Management and Fiscal Problems

There are several management and fiscal problems which are endemic to child care center management. The first is a lack of management experience on the part of many child care center boards and administrators.

Because many child care programs have parent boards and because the path of upward mobility for teachers, who usually have not trained in administration, is to become directors, programs often begin with a lack of management expertise. As a result, some child care programs have floundered largely because of fiscal and management problems.

Suggested Solutions

Several child care organizations provide some management training and technical assistance for directors and boards, but more funding needs to be sought for in-depth seminars and individual consulting services. Inexpensive or free legal help is especially needed as well as low cost accounting and fiscal consulting services. The Management Assistance Project, a new pilot program through the Voluntary Action Center of the United Way links volunteers from local corporations with non-profit groups who need help in solving management problems. Whether this program is effective will be evaluated at the conclusion of the pilot phase.

Seasonal Variations in Enrollment and Attendance

Seasonal variations in enrollment and attendance can create financial problems for a center. A program director must monitor very closely variations in enrollment and attendance as those variations relate to the number of staff persons required by licensing standards. For example: At a one teacher to ten preschool children ratio, a teacher could not be laid off when enrollment drops from 30 to 23. Yet income is affected by such a drop. Furthermore, a drop in attendance can be a problem when attendance is greater than the percentage required by government funding for payment. In addition to the fiscal problems that enrollment and attendance variations can cause, laying off staff is not conducive to long term security for employees, which is a reason for high staff turnover.

Suggested Solutions

Funding agencies ranging from the State of Minnesota, Hennepin County, the City of Minneapolis, corporations and foundations need to be more aware of the fiscal problems intrinsic to child care centers and to be more supportive financially. Government agencies could reexamine the impact of restrictive regulations on child care programs to modify those regulations where feasible. Regulations affecting cash flow are a major problem whereas cash advances have become increasingly difficult to obtain.

B. Family and Group Day Care Homes

System Description

There are presently over 582 Family Day Care Homes in Minneapolis providing approximately 2798 slots (providers children and Latch Key slots part-time and drop-in slots not reflected) which have been licensed by the County based on the Minnesota State Rule 2 Standards outlining minimum guidelines which must be met and maintained in regard to basic care, health and safety, and provider/child ratio. The average cost for a full-time child is $37.50 per week. The standards are currently being revised. It is expected that there will be changes increasing training required, provider/child ratio and space required.

Presently, providers are licensed as a Family Day Care Home to care for five children or less, plus two school age children or as a Group Family Day Care Home to care for ten children or less plus four school age children. Their licensed number includes their own children under age six. Arrangements between providers and parents are by and large private. The last several years have seen a rise in the number of providers, 1970 - approximately 350 to the present 1400 Countywide, and an increase in the number of providers who run their home in a 'professional' business way, reflected for instance by established, consistent hours and fees, policies, etc. Coupled with this, and accompanied by parent expectations, there has clearly been an effort on the part of providers to enhance and enrich the care they provide. This is reflected by the development of a local association providing support services and the increase in provider major purchase such as large-muscle equipment and physical development of play spaces within the home.

Professional growth in Family Day Care has kept in balance with the underlying philosophy of caring for children in a natural home atmosphere, stressing the importance of service, extended family and parenting, and the value of the singular provider caring for children of mixed ages.

Family Day Care Homes are an important source of day care in Minneapolis, providing for the majority of infant care and supplying a primary number of slots for toddler, pre-school and Latch Key.

Problems

The last ten years of growth in Family Day Care can significantly be linked to several factors:

- Increased need for women to earn a second family income and/or single parent women needing to work resulting in both an increase in the number of providers being licensed and the number of slots needed.

- Increased demand of Family Day Care resulting from parent preference in general and specifically a lack of infant care.

- Increased parental expectations of quality.

- Neighborhood accessibility and affordability of Family Day Care.

- Provider acknowledgement of the value and importance of their work; causing more providers to choose Family Day Care as a career and remain in the business.

- Development of a local association and support services.

- Supportive county system and day care licensing unit.

By and large the effects of growth have been positive for all involved in Family Day Care, children, parents and providers. In turn, the amount of care has increased along with the quality and availability of care. The turnover has decreased, support for providers has increased while cost has remained relatively affordable and reasonable. Support services, developed by providers through their local association, have grown that are collectively used and cost-effective. The Family Day Care community in Minneapolis has reached an appropriate understanding of its' development and needs only support in continuing to maintain and meet expectations.

However, there are problems and concerns which need continued surveillance. The following list identifies some of these concerns. The larger problem is to do all these without changing the inherent system of Family Day Care, being careful to maintain the independence, accessibility and affordability of the care provided.

- Maintain present supportive services and increasing the number of providers and children that can be served.

- Stimulate long-term growth, particularly in infant, toddler and latchkey care while maintaining affordable costs and accessibility.

- Develop supportive services - for example, substitute care, aides, special needs.

- Increase support to parents using Family Day Care particularly for those below the 60% Median Income.

- Increase provider income.

- Decrease and stabilize turnover of providers.

Suggested Suggested

Support services presently available to Family Day Care Homes are in urgent need of being expanded to serve more providers and children -- solutions to this can only come from increased funding directly for support services and sharing of resources where possible to decrease the cost of delivering service, for instance, the cost of gas and maintenance for the field trip vehicle.

Stimulating long-term growth for Family Day Care in specific care areas will be effected by increased support and advocacy of Family Day Care Homes and through the direct recruitment of homes willing to provide high need care such as infant. Examples of present

programs are the Hennepin County Family Day Care Association Infant Care Start-up Kits and the Child Care Resource Center-Southside Infant Recruitment Program.

Developing new supportive services requires wider access and better coordination of services currently available. As providers develop and maintain their programs, individual needs frequently change from when they were just starting up. "Older" providers that have invested substantially in their program may not have a need for the Toy Lending Library but have requested field trips and have need for Substitute Care.

In addition, new support services for special needs children should be developed. There are presently providers who are willing to care for special needs children and it has been suggested by many that Family Day Care is an ideal resource for placing special needs children. A solution might be to employ a special needs resource coordinator who could provide consultation to providers and help in the placement process.

Increased financial support to low income families that use child care would increase their ability to pay a more adequate rate for child care, which could lead to increased provider income and possibly reduce the rate of provider turnover. Possible solutions include: Federal and State assistance through government subsidies and/or tax credits; increased involvement by businesses and foundations; expansion of scholarship and sliding fee programs; increased support to the lobbying efforts of the Hennepin County Family Day Care Association.

C. Informal Child Care Arrangements

System Description

The depth with which we are able to discuss informal care is limited due to the lack of hands-on information. Nationally, it is clearly the major type of care used and oftentimes preferred. Informally, parents are able to make a variety of flexible arrangements necessary for evening care, training, part-time work and other personal needs. However, there is growing documentation that parents would choose formal arrangements if they were available, especially parents working full-time. A local study completed by the Southside Child Care Committee confirms this. We do know that informal arrangements are made by parents who need care and are usually between a neighbor, friend, or relative. Informal providers can care for their own children and those of one other family rather than for several families as a licensed provider would. Finally, informal care arrangements seem to be less costly than those of formal care.

Problems

Parents need information regarding how and when to choose informal care. Use of informal care should not be based on affordability or scarcity of licensed slots. Secondly, parents need help in finding informal providers when that is the type of care preferred. Lastly, although it would be helpful for supportive services to be available to these providers, funds for such services are already stretched to their limit.

The following is a list of identified problems associated with informal care. There is a need to:

- Encourage more positive attitudes in regard to informal care.

-Identify and make contact with informal care givers to make better use of their resources.

- Determine what kind of support informal care givers need or should be given.

- Assess the relationship and attributes of informal and formal care.

- Evaluate the need for monitoring of care given.

Suggested Solutions

The above problems could be impacted by a public relations campaign that would hopefully bring informal care givers into visibility, making them more available as a resource. Some states have instituted registration (different from licensing) to identify informal care givers. New legislation could be enacted to pilot a voluntary registration program, such as the one suggested

by the Minnesota Children's Lobby, for persons caring for children from one family. Possibly funding and support services could be made available for these providers.

III. TYPE OF CARE

A. Infant (age 6 weeks to 16 months)

System Description

The most significant change in the demand for child care slots is in the infant/toddler area. In the past, the initial entry point into the child care market was three (3) years of age. According to a bureau of Labor Statistics news release on "Marital and Family Characteristics of the Labor Force", March 1, 1980:

> "...the fact is that infants are the single larges group under the age of six years entering the market and equal approximately four-fifths of this initial entry group. The reasons for such a high proportion of one year olds in the initial entry group are: first, one out of every three mothers (married and living with their husbands) with a child under the age of one year is in the labor force and, second, the increase in birth rate means that there are currently more one year olds than, for example, three year olds who have working mothers."

This data is further confirmed by information and referral sources which indicate a large portion of their inquiries are for infant care for which resources do not exist and the fact that the limited formal infant care resources remain fully utilized with waiting lists. With the trend toward two-parent working families and single head-of-households, an increasing demand on already scarce resources can be reasonably expected. Unless incentives are available to increase care, more severe shortages lie ahead.

Family and group family day care provide the largest resource in the formal system. Family day care homes have a great deal of flexibility in that they are licensed for an age range of children rather than one age group. A home could begin by serving infants and switch to preschoolers or any one of a number of combinations of infant, toddlers, pre-schoolers and school age. This flexibility adds to the uniqueness of this type of care but also make gathering statistics on how many infants are actually served very difficult. The range could be from a maximum of 1170 slots down to none. Most likely the number of infants served approximates 230 slots.

There are 141 center infant slots in the City of Minneapolis. Of these, 42 are limited to students and 49 are part-time, leaving only 50 full day center slots for working parents.

The number of slots provided through the informal system is unknown.

Problems

For centers the rate must be high enough for each child to cover the staff costs normally spread over 2½ children. The range is from $10.20 to $15.23 per day. For Family Day Care and Group Day Care, the provider may well be faced with accepting fewer children due to the time demands of an infant. The cost of additional equipment and supplies can be a barrier. This should mean a higher rate is paid. Some providers choose not to serve this group as the rate they feel is needed to support their cost and lost income is higher than they wish to charge or feel could be paid by parents. They therefore choose not to serve this group. While parents need care, higher rates may prevent them from having the option of using the more costly formal care.

Center, Family Day Care and Group Family Day Care must provide additional equipment such as cribs, highchairs, playpens, etc., when serving infants. The food costs and basic need items (diapers, "wipe-n-dipe", etc.) are more expensive than for other groups. All these items, in addition to reduced staff-child ratio make this service an expensive one. Family Day Care and Group Family Day Care have been more able to absorb some of these costs - but at a cost in the form of lost income to the provider. As noted above, the amount of service available is not sufficient to serve the need.

This age group is both physically demanding and limiting. Children in this age group are obviously unable to attend to their maintenance needs (feeding, diapering, etc.) and therefore require that a great deal of time be spent in these rather than programmatic (games, play, etc.) functions. This group is not mobile in the sense that such activities as outdoor play or field trips are limited. For a family day care provider this means that serving pre-schoolers allows options for activites outside the home (zoo, grocery shopping, etc.), but serving infants restricts mobility and options. For center staff, the time spent in maintenance functions at a 1:4 ratio means little time can be spent in other kinds of interaction (playtime, learning, exercises, etc.) that can be more psychologically satisfying to staff.

Both the State and Federal governments will be considering a reduction in the center ratio from 1:4 to 1:3. The cost of center care would escalate sharply if these ratios are established. This ratio allows more individualized attention for children, however, and should release some staff pressure (morale problems).

Suggested Solutions

Parent subsidy through higher tax credits for this age group, business subsidy or child care sponsored options for workers or sliding fee, or another subsidy mechanism that recognizes the higher cost of care for this age group would assist parents in purchasing the care they feel best suits their childs' needs. Incentives for pro-

viding care needs to be developed and/or expanded. Examples are: start-up (equipment) grants, higher rates, supportive services that directly benefit the providers, etc.

Support for parents to stay home longer after the child's birth such as flextime, shared jobs, paid maternity/paternity leave would help relieve the pressure on resources and parents.

Support for informal legally operating care through a registration system, networking, and access to supportive services as needed.

B. Toddler (age 16 months to 31 months)

System Description

There are 397 center toddler slots in the City of Minneapolis. Of these, 60 are limited to students, leaving 337 for working parents. Family Day Care indicates a maximum of 1170 slots for Toddlers. However, it is more likely the number served approximates 460 slots. Toddlers, like infants, require a higher staff:child ratio than preschool. For centers, a 1:7 ratio must be maintained. Again, as in infant care, our information and referral resources and waiting lists indicate a significant need in this area for more care.

Problems

Cost is again a significant issue but not to the extent that it is in infant care. Centers are impacted in requiring a lower staff:child ratio and therefore a higher cost. The cost differential between preschool and toddlers is usually $1 - $2.00 per day. Often preschool programs will "piggy-back" a smaller toddler program. This allows them to spread some of the cost and maintain a lower toddler rate.

While provider mobility is still limited, the toddler age group functions more independently than infants for feeding and play activities and can therefore be a more psychologically rewarding group than infants. Family day care can more readily integrate a toddler with older children than an infant.

Service availability is also a problem with toddlers, but not as severe as with infants.

Suggested Solutions

Again, parent subsidy through higher tax credits, employer sponsored care, sliding fee, etc., for this age group is suggested.

A rate differential for toddlers will continue to be necessary for both Family Day Care and Center care if providers are expected to maintain and expand care to this group of children.

Employment options for parents to allow for the care of their children such as shared jobs, flextime, etc., would assist in relieving the pressure on parents and providers.

Support for legally operating informal care givers through registration system, networking at the local level, access to supportive services etc., would expand the knowledge and use of this system allowing for more parental options.

C. Preschool (age 2 1/2 to 6 years)

System Description

As recent as within the last 5 to 10 years, the age of initial entry into the child care system was 3 years of age. Today, infants are the single largest group under the age of six years entering the market. Because of the early growth of preschool care, the supply is currently meeting the demand in most geographic areas. At the present time there are 2,165 preschool slots in day care centers and 1,505 slots in nursery schools in the City of Minneapolis. In addition, approximately 2/3rds of the family day care slots are used by preschoolers. It is important to note, however, that the demand for formal preschool slots may increase as more women enter the labor market and as financial assistance for child care becomes more readily available.

In terms of programatic content, preschool programs in day care centers provide the same structured curriculum usually found in nursery school programs. This means that the curriculum includes activities such as music, art, learning games, reading of stories, etc. - activities carefully planned to foster the physical, social, and intellectual growth of preschool children. Preschool programs also provide a rest time in the early afternoon as well as time for unstructured as well as structured play. Family day care providers program in a similar way with somewhat less emphasis on structured activities depending on the provider's preference and philosophy.

The average cost for care of a full-time preschool child is $42.22 a week in a day care center and $40.00 in a family day care home. Nursery school costs vary depending on the number of days per week the child attends. According to Department of Public Welfare licensing standards, a preschool program must maintain a one staff to 10 children ratio. If the program is receiving Federal funds, the ratio of children to staff is lower.

Problems

As has been noted previously, the market for full-day preschool care may be saturated in most geographic areas. Persons starting new preschool centers should be cautioned about potential under-enrollment and encouraged to conduct a thorough needs assesment before starting a new program.

In some areas of the city, there is a need for half-day preschool (nursery school) care. However, nursery schools in the less affluent areas of the city are struggling financially. Three Southside half-day programs which previously were subsidized by Model City money and later with Community Development Block Grant funds may have to close in the near future because parents can not afford the increased cost.

Suggested Solutions

Until enrollment patterns change, new full-day preschool programs should not be encouraged unless sponsors can clearly document that the program will meet a need in a particular geographic area.

Greater public awareness of the importance of preschool education for less affluent families as well as for affluent families needs to be raised. A good source of information on this subject is the study conducted by the Consortium for Longitudinal Studies on "Lasting Effects After Preschool". If the general public was more aware of the importance of preschool education, perhaps then more funding for nurseries would become available. If funding continues to decline, one option might be for nursery schools to increase their hours to meet the needs of part time working parents. Another option might be to find ways to stimulate parent co-op nursery schools.

D. School Age/Latchkey (age 6 through 12 years)

System Description

Latchkey is child care for elementary age children before and after the regular school day. In addition, full-day care is available on holidays and summer vacations. It is offered in family day care homes, day care centers, and in programs within the public schools. Often latchkey programs include programming for the kindergartner as an addition to the regular kindergarten program for children of working parents needing full day care.

Latchkey programs offer a wide variety of activities designed to meet the needs of these children. Typical activities include games - both quiet and physically active, art, music, and other creative activities, and opportunities for relaxation and special interaction in an environment which is supportive to the individual child. Usually latchkey programs have a parent advisory board which gives the program direction and which works closely with the staff.

Although there are some differences between programs, most will generally be open twelve months a year from 7:00 a.m. to 5:30 p.m. Families can choose times within this framework throughout the year to meet their changing needs.

Latchkey programs are licensed by the State Department of Public Welfare and must conform to the standards set forth for staff ratio, equipment, teacher qualifications and in-service training. Although licensure is waived for public school programs, over half of the twenty-three Minneapolis Public School Child Care Programs are licensed, so that service can be offered to Title XX eligible children through Hennepin County.

In the Minneapolis Public Schools Latchkey Program fees are approximately 85¢ an hour during the school year due to children using fewer hours a day and about 50¢ an hour during the summer when children are there for the full day. Costs in private latchkey programs average $1.16 per hour or $7.85 on holidays and vacation days.

Problems

Due to the expansion of the Minneapolis Public School Latchkey Program to 23 sites, latchkey is now available on a limited adequate basis throughout the city. The 23 latchkey site can serve 700 families.

Besides the Minneapolis Public School Latchkey Programs, 14 other day care centers provide latchkey care as one component of their program. In addition, another 8 centers provide care for approximately 50 kindergartners.

Family Day Care provides approximately 1450 slots for latchkey. The larger problem with latchkey in Family Day Care is caused by

summer vacations. During the school year providers are allowed so many holidays/vacation days to accomodate school age children when they need full day care. During the summertime these same children cannot be given full-time care unless the provider has a full-time slot available.

Even though fees are relatively low, they represent a significant cost to some families. Lower income families with several children cannot afford latchkey costs especially in the summer. In effect, the people who need latchkey care the most in order to become or remain economically independent are the least able to afford it. This may well mean that children are left alone unsupervised.

Suggested Solutions

Enact new legislation initiating a more comprehensive State Sliding Fee Program for low-middle income families.

Amend the State and Federal Child Care Tax Credits by increasing the percentage of child care costs which can be claimed on a sliding fee basis and by making it refundable.

IV. COMMON PROBLEM AREAS

A. Affordability of Child Care: Lack of Sufficient funding assistance for low and middle income families

TITLE XX

Nationally, Title XX funding for low income families has been maintained at the current level since the early 1970's.Hennepin County has basically maintained the same number of slots, while picking up cost of living increases with County tax dollars. As a result, there has been no expansion of this program although some of the Title XX slots originally located in the City of Minneapolis have been shifted to the suburbs. The reason for the shift was to redress inequitable distribution of Title XX slots.

SLIDING FEE ASSISTANCE

Although Hennepin County, the City of Minneapolis, and the State of Minnesota have taken the lead in funding the GMDCA Parents' Assistance Fund and the State Sliding Fee Program, funding for these programs is still inadequate to meet the need. Although 95 children from 143 families are receiving assistance in paying child care expenses through the GMDCA Parents' Assistance Fund, the parent assistance fund could not put new families on the program during the past nine months because of funding cutbacks. Currently, January 1980, limited funding is available to enroll a few CDGB eligible families.

The State Sliding Fee Program also administered by GMDCA currently serves 294 children from 193 families, January, 1981. This program is accepting applications for assistance, but most families are finding the narrow financial eligibility range a barrier to participation. Current financial eligibility range is between 60 and 70% of the State Median Income.

COMMUNITY SOCIAL SERVICE ACT

Because of the elimination of the Child Care Facilities Act (which provided funding for start-up, some sliding fee dollars, and funding for capital purchases such as vans, etc.), child care must compete with other social services for funding through the Community Social Services Act. In Hennepin County, the mechanism for determining priorities for CSSA funding will reside in the Area Human Services Boards, with County Commissioners using that information to allocate CSSA dollars to the various service categories. The process, however, will only be effective if the child care community is successful in establishing child care as a high priority for CSSA funding, and if a substantial amount of CSSA dollars is allocated for child care purposes.

COMMUNITY DEVELOPMENT BLOCK GRANT

Every year the Child Care Community must work with the Planning District Citizens Advisory Committees, the Mayor's Office, and Minneapolis City Council to obtain Community Development Block

Grant dollars for child care. Since the CDBG money is limited by HUD regulations which link 80% of the funding to Neighborhood Strategy Areas (small areas where housing and redevelopment is taking place), the funding is available to a limited number of programs and residents. Efforts are being made to change the restrictiveness of the Federal guidelines, but the outlook for relaxation of the regulations is not hopeful at this time.

Suggested Solutions

Because there are still not enough Title XX child care slots County-wide, a major lobbying effort is needed to raise the ceiling for Title XX funds. This will require a joint effort on the part of the City of Minneapolis, Hennepin County, the State of Minnesota and the Child Care Community.

One solution is increased government funding to sliding fee programs like the GMDCA Parents' Assistance Fund; through the Community Social Services Act and/or through a change in the restrictionsand an increase in funding through City of Minneapolis Community Development Block Grant program. Although the viability of increased government funding to any social service area given the current economic climate is doubtful at best, the goal should still be pursued.

The State Sliding Fee Pilot Program must be renewed for another two years if it is to be assured of continued funding. In addition, the financial eligibility range should be increased from 70 to 90% of the State median income which would expand the population of families eligible for the program. If the pilot program is not extended for two more years, the funding is likely to become a part of the Community Social Services Act block grants to the counties. The drawback to this approach is that the Sliding Fee Program would then be competing with other social services for funding. Renewal of the State Sliding Fee Program will require a major legislative effort on the part of the City of Minneapolis, Hennepin County, and the Child Care Community.

Another solution to making child care more affordable by parents is through corporate funding of employee child care costs through a voucher subsidy, a sliding fee program, or a flexible benefits package. Although this issue is currently under discussion by a number of companies, to date no local company has agreed to start such a program.

A final solution that is currently under discussion is a Federal Child Care Sliding Tax Credit. A proposal put forth by the Minnesota Children's Lobby suggests a refundable sliding tax credit equal to 90% of child care expenses for persons whose gross adjusted income is below $14,000 with the credit reduced by the amount equal to 20% of the income in excess of $14,000. Research is currently being done on this bill and the bill is being drafted for introduction by Senator David Durenberger.

B. Sick Care/Emergency Child Care Resources

Lack of child care resources for sick children and children needing short term emergency care is a major cause of job absenteeism and turnover. This is because most child care program policies do not allow ill children in attendance. Unfortunately, current personnel policies do not take into consideration the problems of single and two parent working families - policies which can cause desperate parents to lie about illness when the only allowable sick leave is employee related and does not take into account child related absences.

At the present time, there is only one program in Hennepin County, Child Care Services, Inc. which provides sick care services for children. This program has been severely hampered in its ability to serve many parents due to funding limitations, high cost of services, and availability.

Suggested Solutions

Because low income families in work or training have the least resources to draw upon in emergencies, public funding of sick care for low income clients should be considered.

Day care centers should be encouraged to work cooperatively together to develop a joint sick care component in a center or a satelite day care home.

Development of informal neighborhood groups should be encouraged that would be willing to provide sick care and/or emergency care.

Through public or private funds, providers could be granted financial incentives to provide sick care.

Companies should be encouraged to expand their definition of legitimate sick time to include child-related illnesses. Companies could also consider funding sick care services through existing agencies or to start up their own program.

Family Day Care providers could be encouaged to provide ill child care. This is allowable under DPW Rule #2 as long as the provider has:

- the ability to isolate a child when necessary,
- has the permission of her parents to provide this type of care, and;
- has a plan for providing ill child care approved by the County. Providers may wish to ask parents for an additional fee.

C. Twenty-four Hour Care/ Night Care

Child care services for persons on rotating shifts, evening or night shifts are almost non-existent. In the past six months, one program has begun to experiment with evening care. Unfortunately, the typical day care center does not have much flexibility, and has been unsuccessful in adapting to the needs of persons whose hours do not fit the traditional work day. There have been several unsuccessful attempts at 24 hour care by centers. Family day care homes have been somewhat more flexible, but many providers prefer to maintain a normal day schedule to allow for private time with their own families.

Other workers have difficulty adapting their work hours to opening and closing times. To quote from a recent report on child care put together by Honeywell:

> "The parents who choose to be late rather than leave their children alone must suffer the consequences at work: career advancement must be affected, resulting in stagnation of both the individual and the workforce. In the case of the hourly workers, excessive tardiness results in demerits, which ultimately lead to dismissal, especially during the probationary period. Lack of second and third shift child care is a direct barrier to entry into the workforce since the majority of new factory jobs are on the second shift. Hourly workers on the 6:30 to 2:30 p.m. first shift have difficulty in finding a caretaker who is open early enough to allow them time to travel and still arrive at work on time."

Suggested Solutions

Flextime is one solution to this dilemna. Government and corporation sponsorship of evening and night care options would help solve the problem. Hospitals, one of the largest employers using the rotating shift concept, are becoming more involved in child care provision. Either subsidy of child care programs which serve hospital employees or on-site child care services are potential solutions to this dilemna.

Another solution would be to encourage family day care providers to obtain foster care licenses. This would allow them to provide twenty-four hour care on a regular basis.

Encourage family day care providers to develop strictly evening care programs.

Although limited information and referral is available about night care, a more complete networking of centers, family day care homes, and informal caregivers willing to do night and evening care would be helpful.

D. Substitute Care Workers

Because of the high illness rate of child care workers due to exposure to the many contagious diseases of young children, a pool of substitute workers needs to be available. In addition, child care workers need time for staff development. In-service training is required for both center and family day care staff.

Both the cost and scarcity of substitute caregivers serves to limit the training opportunities for staff, encourages persons to continue to work while suffering from minor illnesses, and causes centers to risk being understaffed due to emergency illnesses. In addition, lack of substitute workers further isolates family day care providers in their homes and limits their flexibility in taking field trips with the older children they are serving.

Suggested Solutions

Child care cooperative volunteers could manage substitute provider programs and networks.

E. Resources for Handicapped Children

A growing problem is the large number of children with special needs with speech, language and emotional problems enrolled in child care programs. The additional help and resources which are needed to serve those children are severely limited. While some handicapped children can be integrated in a regular child care setting, others need varying degrees of special services. There are few programs specializing in serving handicapped children. Title XX child care providers have been especially aware of this problem because they serve many special needs children. Added to this case load are children with special needs who are enrolled, without diagnosis.

A number of agencies are diagnosing and providing some services for these children. For example, the Minneapolis Public Schools screen 3½ and 4 year olds through Preschool Screening/Search Program. The public schools are also providing some special education services to 4 year old handicapped children and the hearing impaired from birth. The fact that the Minneapolis Special Education Preschool Program is a half day program, and that many of the handicapped children are already enrolled in day care programs, makes coordination difficult but essential. Washburn Child Guidance Clinic has an outreach program through which they provide some consultative help to day care programs on request. Despite the hard work of these agencies, child care providers are reporting that special needs services are not reaching all of the needy children enrolled in their programs, especially those under 4 years old.

The agencies mentioned are already working together to provide more and better services for identified special needs children. However, in each agency funding is limited. Hennepin County has

a "Special Needs Task Force" which is formulating some recommendations to enable centers and homes to provide special services for special needs children. In addition, the State Department of Public Welfare is studying the possibility of lowering the age for preschool screening to "0". It is clear that without proper identification of handicapping conditions, children will not receive the follow-up services which they so badly need.

Suggested Solutions

Because State law further defines Federal Law 94-142 in the matter of the age for providing service to handicapped children, the public schools are only required to serve children ages 4 through 21. A possible solution for providing services to special needs handicapped children would be to drop the age for service to "birth". This has been done in other states.

Because of the small number of children enrolled, family day care homes would be ideal places for handicapped children. Training and support services similar to those requested for centers need to be funded to encourage family day care providers to serve these children.

The provision of training to serve handicapped children is a potential solution. The Greater Minneapolis Day Care Association has submitted a proposal to the Department of Health and Human Services for a grant to train day care staff and providers to care for handicapped children. However, if funded, this program would not begin until June of 1981.

There should be an increase in the capacity of existing programs and development of new programs to serve the handicapped children. Headstart has a mandate from the Department of Health and Human Services to offer up to 10% of their slots to handicapped children. They also receive special funding to serve these children. Although Headstart has a long waiting list, the enrollment of handicapped children is a priority consideration. They also are willing to transport children to another source of child care.

It has also been suggested that health care providers, doctors, speech pathologists, and psychologists be recruited to provide volunteer time to consult with centers and homes serving special needs children. Another option might be to recruit volunteers to work on a one-to-one basis with children or providers.

F. Availability and Development of Management and Support Services

Considering the increasing demand for family day care providers, and the administrative responsibilities that are required, management and support services for family day care providers have taken on new significance. The Hennepin County Family Day Care Association currently provides some technical assistance, management advice, group liability insurance and support services to family day care providers. The Hennepin County Community Services Day Care Unit provides training.

Management and legal assistance is available through the Greater Minneapolis Day Care Association and Hennepin County Community Service department. More funding is needed for in-depth legal and management assistance as well as for management training programs. The Greater Minneapolis Day Care Association currently offers an option for centers to take part in a Group Health Insurance Plan for their employees. However, budget problems have made this service seem like a luxury to some centers. The Greater Minneapolis Day Care Association also offers liability insurance at a group rate. Center liability insurance is required by the State.

The Greater Minneapolis Day Care Association has been very successful in providing in-service training workshops for child care staff. There have been 230 workshops attended by over 3,000 staff persons during 1979-80. Vocational credits which can be applied toward an AA degree are available through Minneapolis Technical Institute. However, opportunities for staff to obtain upper division credit toward Bachelor or Master Degrees are limited both because of the cost of such courses and limited scheduling.

Suggested Solutions

More consistent funding needs to be found for management training and assistance for family day care providers and center staff. This could come from businesses, foundations, and/or government sources. Businesses could also loan executives as board members or as financial management advisors.

The various educational institutions providing Bachelor Degree credit need to coordinate their programs as it is currently unclear as to how credits apply from one educational institution to another. Whether credits earned at the community colleges or at Metropolitan State University are relevant to obtaining a Department of Education early Childhood certificate is unclear. Subsidies need to be made available to assist low income staff persons who cannot afford to take training courses.

G. Transportation

Transportation to and from centers is a very expensive service and is rarely provided by centers. In some low income areas where parents do not have their own cars, transporting children becomes a real problem that may be a barrier to working or obtaining training.

A drawback to making transportation available is the lack of contact that results between parents and center staff. Many providers believe that daily contact with the parent is important, and this is facilitated by the parent dropping off and picking up the child.

On the other hand, both centers and family day care homes need transportation services for field trips. The ability of centers to budget rental of buses for field trips has been limited by fast rising transportation costs.

The Hennepin County Family Day Care Association has been operating a field trip service for family day care providers. This service is very important in that it provides opportunities for children in family day care to expand their learning environment beyond the home. However, this service is not able to meet the demand.

Suggested Solutions

Programs working together to coordinate their transportation needs is one solution. Multipurpose use of vans by several human service programs is another.

Increased coordination of transportation between child care programs and the public schools needs to occur.

Companies already transporting employees through a van program could include employees' children by dropping them off at local day care programs along the route or near the work-site.

Several family day care providers and/or centers could pool funds and plan joint field trip outings.

H. Space

Space development has become a critical problem for Family Day Care as

- the demand for care has increased;
- more providers wish to be licensed as group family day care;
- and more persons renting wish to operate family day care programs

There is also a severe shortage of licensable center space for child care programs in the Minneapolis area. The cost of meeting fire, food service, and sanitation requirements, in what little available and affordable space there is, serves as a barrier to programs starting up. Churches have been widely used as child care program sites partly because they do not create a zoning problem and also because they already have some basic equipment (child-sized tables and chairs, kitchen equipment, etc.). However, the number of churches with vacant space above grade and willing to rent to non-profit child care programs has declined.

In addition, the cost of available rental space and renovation costs have risen dramatically. Child care programs are already on tight budgets, pay low wages to staff and must keep their rates within parent ability to pay. The high cost of space has been a major factor in program ability to continue.

Suggested Solutions

Family day care providers need increased assistance and support, both technical and funding, in developing their home space to adequately meet the needs of a larger group of children of mixed ages on a continuing basis.

Landlords need to be educated about family day care while specific legally-sound clauses to rental lease agreements need to be developed, i.e. hold harmless clause, Public Housing and Section 8 permission riders, general permission rider clauses, physical responsibility clauses.

Increased communication about availability of public school space for rent may be a partial solution to center space problems.

An increase in funding or donation of materials by businesses or unions to meet fire, safety amd sanitation codes should be encouraged.

A further solution might be donation of space to non-profit child care programs by local businesses. The latter could benefit the businesses in terms of availability of child care for their employees as well as in terms of a deduction to their Federal or State taxes.

A property tax deduction should be studied by the City of Minneapolis as an incentive for businesses to provide space for child care programs.

V. AREAS OF POTENTIAL RESOURCE SHARING: RECOMMENDATIONS

The final section of this report offers recommendations for addressing some of the identified problems. Although new funding sources are felt to be unlikely at this time, need for increased funding remains. A continuing effort is required to identify and obtain funding where ever possible. Recognizing the lack of new funding sources at this time, our recommendations emphasize sharing between existing resources by improving efficiency of operation, strengthening relationships, and developing untapped non-monetary resources. Each set of recommendations suggest possible solutions and identifies those who have the ability for implementation. Four action approaches are suggested for improving child care delivery: legislation; coordination; public awareness; and business/foundation.

LEGISLATION RECOMMENDATIONS

1. <u>In order to increase the availability and affordability of child care services</u>:

   (a) It is recommended that the ceiling for Title XX be raised to at least keep pace with inflation. Calls and letters favoring this increase should be sent to the Minnesota Congressional delegation.

   (b) The City has adopted a resolution in support of changing the CDGB elegibility guidelines for public services from a geographic to an income test. Minneapolis should continue to lobby for this change by attempting to gain support from other grantee cities and from the Department of Housing and Urban Development.

   (c) It is recommended that legislation be supported to continue the State's Sliding Fee program for another two-year period and that the income eligibility be increased to 90% of the State Median Income.

   (d) In recognition of the higher costs to provide infant and toddler care, it is recommended that State and Federal child care tax credits be increased for these age groups.

   (e) It is recommended that support be given for legislation to initiate a Federal Refundable Sliding Child Care Tax Credit developed by the Minnesota Children's lobby and Senator Durenberger's Child Care Task Force.

   (f) It is recommended that the State of Minnesota provide aid to school districts sponsoring child care programs for school age children.

2. <u>In order to support efforts to register informal care-givers</u>:

   (a) It is recommended that the State of Minnesota initiate a registration program for informal child care providers.

   (b) It is recommended that the Children's Lobby proposal requesting funds to develop this process be supported.

3. In order to reduce the problems related to the lack of licensable space:

   (a) It is recommended that legislation be developed and supported which offers state matching grants to school districts to support space costs within public schools for non-profit child care programs.

   (b) It is recommended that Minneapolis explore offering property tax deductions for businesses that provide space for child care programs.

4. In order to maximize resources for handicapped children:

   (a) It is recommended that the State of Minnesota lower the age level for mandatory services under the Public Law 94-142 to birth. This would require the public schools to provide services for handicapped infants, toddlers, and preschoolers instead of only 4-year olds.

Follow-up responsibilities

All levels of gevernment and child care organizations should consider these legislative approaches:

COORDINATION RECOMMENDATIONS

1. In order to help prevent high turnover of center staff:

   (a) It is recommended the Greater Minneapolis Day Care Association be funded to develop and maintain a substitute provider network.

   (b) It is recommended the Greater Minneapolis Day Care Association provide training to enable centers to make a more effective use of parents as volunteers.

   (c) It is recommended that Greater Minneapolis Day Care Association develop standards for staff benefits. Programs should be encouraged to provide a full complement of staff benefits.

2. In order to increase supportive services presently provided:

   (a) It is recommended that existing school bus routes be made available to families needing transportation to child care programs.

   (b) It is recommended that through provider networks field trip plans and expenses be shared by several child care programs.

   (c) It is recommended that a community bank of speakers/trainers be developed by Hennepin County Family Day Care Association and Greater Minneapolis Day Care Association for the purpose of in-service training.

(d) It is recommended the Hennepin County Day Care Association and Greater Minneapolis Day Care Association develop and implement a plan for shared support services among child care programs and that increased funding to those associations will be required to maximize their network efforts.

3. In order to develop new supportive services:

(a) It is recommended the Hennepin County Family Day Care Association and Greater Minneapolis Day Care Association assess the unmet needs of the child care community and develop a plan to meet those needs.

(b) It is recommended that libraries be used as a resource for supplementary programing for child care.

(c) It is recommended that Greater Minneapolis Day Care Association and Hennepin County Family Day Care Association meet with local libraries to initiate resource sharing.

(d) It is recommended that a referral network be developed in order to identify and list evening and night providers. Foster parents and senior citizens could be developed as potential evening and night care providers.

(e) It is recommended that representatives from the Schools, Libraries, Hennepin County, Council on Quality Education, Head Start, Hennepin County Family Day Care Association and Greater Minneapolis Day Care Association under the leadership of the Minneapolis Community Education Department develop a program of sharing resources for child care.

4. In order to decrease provider turnover in Family Day Care:

(a) It is recommended that an apprenticeship program for prospective providers be initiated by Hennepin County Family Day Care Association.

(b) It is recommended that training opportunities be increased by Hennepin County Family Day Care Association.

5. In order to address the short supply of infant and toddler care:

(a) It is recommended that area child care committees, Greater Minneapolis Day Care Association and Hennepin County Family Day Care Association gather concrete data on the need for infant and toddler care.

(b) It is recommended that area child care committees, Greater Minneapolis Day Care Association and Hennepin County Family Day Care Association develop a plan to maximize the use of existing infant and toddler slots; and to increase the number of slots designated for infant and toddler care.

(c) It is recommended that the Infant Incentive program of the Child Care Resource Center - Southside and other incentive programs be evaluated for use in developing a plan to provide incentives that will increase the amount of infant and toddler care.

6. In order to solve the common problem of lack of sick care workers:

   (a) It is recommended that Greater Minneapolis Day Care Association and Hennepin County Family Day Care Association be funded to establish a network of sick care workers.

   (b) It is recommended that senior citizens, interns, and CETA enrollees should be developed as potential sick care workers.

   (c) It is recommended that satellite family day care homes be developed as sick care providers.

PUBLIC AWARENESS RECOMMENDATION

1. In order to increase the public understanding about the need for child care:

   (a) It is recommended that information be developed which defines child care policy issues and the benefits to the public.

   (b) It is recommended that information for the general public be developed which describes the costs and benefits of assisting child care. The benefits to corporations using shared jobs and flextime or stabilizing the work force by subsidizing employee child care costs should be documented.

2. In order to increase the public's understanding of the problems of child care availability and affordability:

   (a) It is recommended that information for the public be prepared which describes "good" child care, enabling parents to make educated choices.

   (b) It is recommended that in choosing child care, parents have increased access to information about the locations and types of care.

   (c) It is recommended that libraries be used to a greater extent in providing public information about child care.

   (d) It is recommended that general public information be developed which describes the usual child care costs and how these costs are financed.

3. In order to support the development of informal care-givers:

   (a) It is recommended that parents, as consumers, have information about state laws governing home child care providers.

   (b) It is recommended that informal home care providers have access to supportive services.

   (c) It is recommended that a network of informal providers be developed.

   (d) It is recommended that information and referral services include informal providers.

Follow-up responsibilities

Most of these recommendations require a substantial public education effort; therefore, coordination is particularly important if duplication is to be avoided. It is suggested that the Minnesota Department of Public Welfare, Hennepin County Family Day Care Association, Hennepin County, and Greater Minneapolis Day Care Association, join to form an Information Team that could coordinate existing public information resources and plan future cooperative public education efforts.

BUSINESS/FOUNDATION RECOMMENDATIONS

1. In order to increase the availability of child care services currently lacking:

   (a) It is recommended that businesses and foundations provide incentive grants for centers and family day care homes willing to provide services to infants and toddlers as these types of care are in short supply in Hennepin County. Corporations could provide start-up grants for equipment, donate space or subsidize administrative costs either for a new center or a satellite family day care program for infants and toddlers.

   (b) It is recommended that businesses and foundations provide funding for sick care, substitute care, night and evening care as these services are currently not available or are too expensive. Corporations could pay for half of the cost of sick care for the employee. This could be more cost effective than paying for temporary help. Hospitals and corporations which operate night and evening shifts could provide start-up funding for shift or evening child care programs and subsidize them until stable usage and income patterns are established.

2. In order to increase the financial stability of existing child care centers and Family Day Care Homes:

   (a) It is recommended that business lend management expertise, legal assistance, and fiscal consultation services to child care programs and family day care homes.

   These services could be provided through the Management Assistance Program, a pilot program administered by the Voluntary Action Center of the United Way. Although this program is aimed at providing corporate management expertise to non-profit agencies, the child care community has only recently been appraised of the program. If the Management Assistance Program is not continued after the pilot phase, other mechanisms should be found to provide child care programs with the fiscal and management assistance they need. Legal assistance must still be pursued.

   (b) It is recommended that corporations and foundations provide emergency loans to child care programs. An emergency funding pool could be established with repayment of loans on a long term, low interest basis.

(c) It is recommended that corporations and foundations provide cash flow grants or loans to alleviate the problems of government reimbursement practices. Such cash flow grants or loans could also be used for start-up capital.

3. In order to increase services to centers and Family Day Care Homes and to develop new services which maintain and enhance quality care:

(a) It is recommended that businesses and foundations cooperate in providing funding for these services.

(b) It is recommended high priority be given to innovative programs which coordinate and utilize existing resources.

4. In order to assure that parent/employees can afford child care services:

(a) It is recommended that businesses and hospitals support legislative efforts to increase funding for child care at the local, state and federal levels. Areas of support might include lobbying for a Federal Sliding Child Care and Dependent Tax Credit; lobbying for an increase in the ceiling on Title XX funding for social services such as child care for low income persons; and lobbying for renewal of the State Sliding Fee Program.

(b) It is recommended that businesses and corporations prepare and implement (with the help of the Greater Minneapolis Day Care Association) a standardized survey of employee child care needs which could provide a uniform base of information about child care needs of employees. Professional research consultant expertise could be donated or funded to assure that the methodology used in the survey is statistically sound. Corporations could donate computer time to analyze the survey. The survey could be done in specific localized geographic areas to ascertain the needs in those areas.

(c) It is recommended that businesses, hospitals and other employers fund a community information and referral system to provide information and referral services. One approach being considered currently is corporate funding for a community-wide information and referral system which is computerized and which would have the capacity to provide up-to-date information regarding openings. Another method open to an employer is to seek training for the person(s) on the company staff who will be helping employees find child care. Packets of materials could be put together which assist in evaluating child care programs and in seeking financial assistance through Title XX or through Greater Minneapolis Day Care Association Parents' Assistance Fund.

(d) It is recommended that businesses, hospitals and other major employers provide child care services in part or in full as an employee benefit. Methods for providing child care as a benefit might include: financial assistance to help employees pay child care costs on a sliding fee voucher or subsidy basis at the center or home of the employee's choice; purchase of child care slots for employees in already existing centers and family day care homes; start-up of a worksite child care center or satellite family day care program.

5. In order to alleviate the current shortage of liceseable, affordable space for child care programs:

   (a) It is recommended that businesses and hospitals consider providing rent-free space or reduced rent for child care programs on the worksite. The contribution of space could be claimed as a deductible business expense if the company sponsors the center, or as a charitable contribution if donated to another non-profit agency. Other services such as utilities, maintenance and janitorial services could also be donated.

   Follow-up Responsibility:

   The Greater Minneapolis Day Care Association and Hennepin County Family Day Care Association should continue to work with and offer consulting services for corporations and hospitals to encourage them to provide child care for their employees and to raise the awareness of the business sector regarding the critical need for child care as a support to families. Greater Minneapolis Day Care Association should also meet with foundations to encourage them to fund proposals which are innoyative, which address critical child care problems, and which could have a long term impact.

   The Mayor and City Council should examine the effect of offering a property tax break to businesses providing free space for child care programs.

   It is hoped that the Downtown Child Care Committee will take the lead in examining these recommendations, and implement those recommendations as appropriate. Putting together a uniform survey and conducting it in major downtown companies might be a helpful first step.